D20831759

Electronically Recorded

Official Public Records

Augenne Henlesse

Tarrant County Texas

2008 Aug 13 03:20 PM Fee: \$ 24.00

Submitter: SIMPLIFILE

D208317595

3 Pages

Suzanne Henderson

CHEAPEAKE ENERGY CORP. ATTN: RECORDING TEAM P.O. Box 18496 Oklahoma City, OK 73154

Submitter: Chesapeake Operating, Inc.

DOCUMENT E-RECORDED IN THE COUNTY RECORDS

DO NOT DESTROY

WARNING - THIS IS PART OF THE OFFICAL RECORD

ELECTRONICALLY RECORDED BY SIMPLIFILE

NOTICE OF CONFIDENTIALITY RIGHTS: IF YOU ARE A NATURAL PERSON, YOU MAY REMOVE OR STRIKE ANY OR ALL OF THE FOLLOWING INFORMATION FROM ANY INSTRUMENT THAT TRANSFERS AN INTEREST IN REAL PROPERTY BEFORE IT IS FILED FOR RECORD IN THE PUBLIC RECORDS: YOUR SOCIAL SECURITY NUMBER OR YOUR DRIVER'S LICENSE NUMBER.

Producers 88 (4-89) — Paid-Up With 640 Acres Pooling Provision

PAID-UP OIL AND GAS LEASE (No Surface Use)

THIS LEASE AGREEMENT is made this 29 day of May 2008 by and between Alvin Campbell whose address is 3101e 30 France Prince, Arlington 72805, 71000-3524 as Lessor and
CHESAPEAKE EXPLORATION, L.L.C., an Oklahoma limited liability company, P.O. Box 18496, Oklahoma City, Oklahoma 73154-0496, as Lessee. All printed portions of this lease were prepared by the party hereinabove named as Lessee, but all other provisions (including the completion of blank spaces) were prepared jointly by the party hereinabove named as Lessee, but all other provisions (including the completion of blank spaces) were prepared jointly by the party hereinabove named as Lessee, but all other provisions (including the completion of blank spaces) were prepared jointly by the party hereinabove named as Lessee, but all other provisions (including the completion of blank spaces) were prepared jointly by the party hereinabove named as Lessee, but all other provisions (including the completion of blank spaces) were prepared jointly by the party hereinabove named as Lessee, but all other provisions (including the completion of blank spaces) were prepared jointly by the party hereinabove named as Lessee, but all other provisions (including the completion of blank spaces) were prepared jointly by the party hereinabove named as Lessee, but all other provisions (including the completion of blank spaces) were prepared jointly by the party hereinabove named as Lessee, but all other provisions (including the completion of blank spaces) were prepared jointly by the party hereinabove named as Lessee, but all other provisions (including the completion of blank spaces) were prepared jointly by the party hereinabove named as Lessee, but all other provisions (including the completion of blank spaces) were prepared jointly by the party hereinabove named as Lessee, but all other provisions (including the completion of blank spaces) were prepared jointly by the party hereinabove named as Lessee, but all other provisions (including the completion of blank spaces) were prepared jointly by the party hereinabove named as Lessee, but all other provisions (including the completion of blank spaces) were prepared jointly by the party he
leased premises: 134 acres of land, more or less, being BIKZLTT9 out of the Thewoods of, an addition to the city of Grand Prairie, The land the described by material bounds in that contain (acres 1) howeful Declarate recorded
Texas, being more particularly described by metes and bounds in that certain <u>General Warranty Deed with</u> recorded in <u>ou-19-2002</u> Volume, of the <u>official Rubbic Rewords</u> , of the <u>official Rubbic Rubb</u>
prescription or otherwise), for the purpose of exploring for, developing, producing and marketing oil and gas, along with an hydrocarbon and non hydrocarbon substances produced in association therewith (including geophysical/scianic operations). The term "gas" as used herein includes helium, carbon dioxide and other commercial gases, as well as hydrocarbon gases. In addition to the above-described leased premises, this lease also covers accretions and any small strips or parcels of land now or hereafter owned by Lessor which are contiguous or adjacent to the above-described leased premises, and, in consideration of the aforementioned cash bonus, Lessor agrees to execute at Lessee's request any additional or supplemental instruments for a more complete or accurate description of the land so covered. For the purpose of determining the amount of any shut-in royalties hereunder, the number of gross acres above specified shall be deemed correct, whether actually more or less.
2. This lease, which is a "paid-up" lease requiring no rentals, shall be in force for a primary term of five (5) years from the date hereof, and for as long thereafter as oil or gas or other

ces covered hereby are produced in paying quantities from the leased premises or from lands pooled therewith or this lease is otherwise maintained in effect pursual

substances covered nervely are produced in paying quantities from the leased premises or from lands pooled therewith or this lease is otherwise maintained in effect pursuant to the provisions hereof.

3. Royalties on oil, gas and other substances produced and saved hereunder shall be paid by Lessee to Lessor as follows: (a) For oil and other liquid hydrocarbons separated at Lessee's separator facilities, the royalty shall be twenty percent (20)% of such production, to be delivered at Lessee's option to Lessor's the wellband or to Lessor's credit at the oil purchaser's transportation facilities, provided that Lessee shall have the continuing right to purchase such production at the wellhead market price then prevailing in the same field, then in the nearest field in which there is such a prevailing price) pursuant to production of similar grade and thereof, less a proportionate part of at valorem taxes and production, severance, or other excise taxes and the costs incurred by Lessee in delivering, processing or otherwise marketings such gas or other substances, provided that Lessee shall have the continuing right to purchase such production at the prevailing wellband market price paid for production of similar quality in the same field (or if there is no such price the prevailing the same field, then in the nearest field in which there is such a prevailing price) pursuant to comparable purchase contracts entered into on the same or nearest preceding date as the date on which Lessee commences its purchases hereunder; and (c) if at the end of the primary term or any time thereafter one or more wells on the lessen of the production thereform is not being sold by Lessee, such well or wells are shall not production thereform is not being sold by Lessee, the Lesser's new that the production of the production is production thereform is not being sold by Lessee, the production is provided from the production thereform is not being sold by Lessee, the Lesser's need to the depository designated below, on or before the end

nevelop the tessed premises a to formations then capable of protecting in paying quantities on the leased premises of lands pooled therewith, or (b) to protect the leased premises from uncompensated drainage by any well or wells located on other lands not pooled therewith. There shall be no covenant to drill exploratory wells or any additional wells exceed as expressly provided berein.

The production is a state of the sead premises, which is not a superior of the leased premises of interest therein with any other lands or interests, as to any or all depths or zones, and as to any or all substances covered by this lease, either before or after the commencement of production, whenever Lessee deems it necessary or proper to do so in order to prudently develop or operate the leased premises, whether or not stimular pooling authority exists with respect to such other lands or interest therethy such pooling for an oil well which is not a presented or premises of the proposition of the production on which Lessor's royalty is calculated shall be that proportion of the testal unit production, defining or revorting operations anywhere or as multiwhich includes all or any part of the leased premises shall be treated on the production on which Lessor's provide premises in control of the production of the leased premises which the here the production of the leased premises is included in the except operation of the lease of promosition is sold b

- 10. In exploring for, developing, producing and marketing oil, gas and other substances covered hereby on the leased premises or lands pooled or unitized herewith, in primary and/or enhanced recovery, Lessee shall have the right of ingress and egress along with the right to conduct such operations on the leased premises as may be reasonably necessary for such purposes, including but not limited to geophysical operations, the drilling of wells, and the construction and use of roads, canals, pipelines, tanks, water wells, disposal wells, injection wells, pits, electric ennanced recovery, Lessee shall have the right of ingress and egrees along with the right to conduct such operations on the leased premises as may be reasonably necessary for such purposes, including but not limited to geophysical operations, the drilling of wells, and the construction and use of roads, canals, pipelines, tanks, water wells, disposal wells, injection wells, pits, electric and telephone lines, power stations, and other facilities deemed necessary by Lessee to discover, produce, store, treat and/or transport production. Lessee may use in such operations, free of cost, any oil, gas, water and/or other substances produced on the leased premises, except water from Lessor's wells or ponds. In exploring, developing, producing or marketing from the leased premises or lands pooled therewith, the ancillary rights granted herein shall apply (a) to the entire leased premises described in Paragraph I above, notwithstanding any partial release or other partial termination of this lease; and (b) to any other lands in which Lessor now or hereafter has authority to grant such rights in the vicinity of the leased premises or lands pooled therewith. When requested by Lessor in writing, Lessee shall bury its pipelines below ordinary plow depth on cultivated lands. No well shall be located less than 200 feet from any house or barn now on the leased premises or such other lands, and to commercial timber and growing crops thereon. Lessee shall pay for damage caused by its operations to buildings and other improvements now on the leased premises or such other lands during the term of this lease or within a reasonable time thereafter.

 11. Lessee's obligations under this lease, whether express or implied, shall be subject to all applicable laws, rules, regulations and orders of any governmental authority having jurisdiction including restrictions on the drilling and production of wells, and the price of oil, gas, and other substances covered hereby. When drilling, reworking, production or office assembly, or by fire, f

- 13. No litigation shall be initiated by Lessor with respect to any breach or default by Lessee hereunder, for a period of at least 90 days after Lessor has given Lessee written notice fully describing the breach or default, and then only if Lessee fails to remedy the breach or default, within such period. In the event the matter is litigated and there is a final judicial determination that a breach or default has occurred, this lease shall not be forfeited or canceled in whole or in part unless Lessee is given a reasonable time after said judicial determination to remedy the breach or default and Lessee fails to do so.
- 14. For the same consideration recited above, Lessor hereby grants, assigns and conveys unto Lessee, its successors and assigns, a perpetual subsurface well bore easement under and through the leased premises for the placement of well bores (along routes selected by Lessee) from oil or gas wells the surface locations of which are situated on other tracts of land and which are not intended to develop the leased premises or lands pooled therewith and from which Lessor shall have no right to royalty or other benefit. Such subsurface well bore easements shall run with the land and survive any termination of this lease.

with the land and survive any termination of this lease.

15. Lessor hereby warrants and agrees to defend title conveyed to Lessee hereunder, and agrees that Lessee at Lessee's option may pay and discharge any taxes, mortgages or liens existing, levied or assessed on or against the leased premises. If Lessee exercises such option, Lessee shall be subrogated to the rights of the party to whom payment is made, and, in addition to its other rights, may reimburse itself out of any royalties or shut-in royalties otherwise payable to Lessor hereunder. In the event Lessee is made aware of any claim inconsistent with Lessor's title, Lessee may suspend the payment of royalties and shut-in royalties hereunder, without interest, until Lessee has been furnished satisfactory evidence that such claim has been resolved.

16. Notwithstanding anything contained to the contrary in this lease, Lessee shall not have any rights to use the surface of the leased premises for drilling or other operations.

17. This lease may be executed in counterparts, each of which is deemed an original and all of which only constitute one original.

DISCLAIMER OF REPRESENTATIONS: Lessor acknowledges that oil and gas lease payments, in the form of rental, bonus and royalty, are market sensitive and may vary depending on multiple factors and that this Lease is the product of good faith negotiations. Lessor understands that these lease payments and terms are final and that Lessor entered into this lease without duress or undue influence. Lessor recognizes that lease values could go up or down depending on market conditions. Neither party to this lease will seek to alter the terms of this transaction based upon any differing terms which Lessee has or may negotiate with any other lessors/oil and gas owners.

IN WITNESS WHEREOF, this lease is executed to be effective as of the date first written above, but upon execution shall be binding on the signatory and the signatory's heirs, devisees,

executors, administrators, successors and assigns, whether or not this lease h	as been executed by all p	arties hereinabove name	ed as Lessor.		
LESSOR GYHETHER ONE OR MORE)					
Mar Campbel					
Alvin Campbell					
STATE OF TEXAS	ACKNOWLED				
COUNTY OF	29 4% day of 777	Jay 2008	by Alvi	n Campbe	ell
VERONICA LEE ZUNIGA			Refe	war	
My Commission Expires		Notary's name (pr	inted)	9	
February 01, 2012		Notary's commiss	ion expires:		
STATE OF TEVAS	ACKNOWLED	GMENT			
STATE OF TEXAS COUNTY OF					
This instrument was acknowledged before me on the	day of	, 20,	by		
		Notary Public, Sta		i	
		Notary's name (pr Notary's commiss			
	RPORATE ACKNO	WLEDGMENT			
STATE OF TEXAS COUNTY OF					
This instrument was acknowledged before me on the		of acid composition	_, 20,	by	of
acoi	rporation, on benait	or said corporation	,		
		Notary Public, Sta		<u> </u>	
		Notary's name (pr Notary's commiss	rinted): .ion expires:	. 1 0- That	him to:
		, , , , , , , , , , , , , , , , , , , ,	······································	ecord & Ret	WIII W. Inc. ating Inc
	RECORDING INFO	DRMATION	, C	nesapeake C P.O. Box 184	Specating, Inc.
STATE OF TEXAS			r	V.O. DOA 10" Wahoma Ci	ty, OK 73154
County of			•	Manoma Ci	.,, 011 /010 /
This instrument was filed for record on theM., and duly recorded in	day of _		, 20	, at	o'clock
Book, Page, of the	records of this	office.			
		Ву			
			Cleri	k (or Deputy)	